Section A

Executive Summary

Introduction

This section of the report is intended to provide Management with an executive-level summary of the most noteworthy performance information to date. All information is as of the end of August 2002, unless otherwise noted.

The section begins with a description of notable accomplishments that have occurred since the last monthly report and are considered to have made the greatest contribution toward safe, timely, and cost-effective clean up. Following the accomplishment section is an overall fiscal year-to-date summary analysis addressing cost, schedule, and milestone performance. Also included in this section is a contract-to-date performance table. Overviews of safety ensue. The next segment of the Executive Summary, entitled Breakthroughs and Opportunities for Improvement represents potential significant improvements over the established baseline. The Critical Issues section identifies the high-level challenges to achieving cleanup progress. The next section includes FY 2002 EM Corporate Performance Measures. Concluding the Executive Summary, a forward-looking synopsis of Upcoming Planned Key Events is provided.

Note: Milestones tracked and reported in the Executive Summary are FY2002 Contract Milestones and consist of two Department of Energy levels. In descending order these levels are 1) Department of Energy-Headquarters (HQ), and 2) Richland Operations (RL). Because it is also useful to distinguish milestones based on specific drivers, the Site applies a designation for those milestones created or tracked to meet the requirements of Enforceable Agreements (EAs). When a milestone satisfies both an EA requirement and a milestone level, it is categorized as both. However, in order to avoid duplicate reporting, this report accounts for each milestone only once. Where an overlap exists between EA and a level (i.e., HQ or RL), the milestone is reported as EA. Additionally, Tri-Party Agreement (TPA) Major and Interim milestones are EA milestones. TPA milestones that are not enforceable are called Target milestones and are included in the milestone tables found in the applicable Project Sections. Project Section tables encompass FY2001 through FY2006 milestones.

Notable Accomplishments

Spent Nuclear Fuel (SNF) Movement Activities ¾ SNF Project MCO productivity has experienced a positive trend during the past several months: ten Multi-Canister Overpacks (MCOs) processed per month in June and July; fifteen in August. During this reporting period, fourteen MCOs containing 85.35 Metric Tons of Heavy Metal (MTHM) were shipped from K West (KW) (100 MCOs and 508.83 MTHMs, cumulatively). To date, the SNF Project is 52 working days (31 MCOs, 104.91 MTHM) behind the baseline schedule commitment to move 720.1 MTHM by the end of fiscal year (FY) 2002.

Accelerate Readiness to Receive SNF K Basin Sludge — The RL Operational Readiness Review was completed and removal of Shippingport Fuel from T Plant was initiated in August.

TRU Waste Shipments ¾ The first FY 2002 waste shipment to WIPP was completed in August 2002. A second shipment has been approved for September 2002.

HAMMER recommended for VPP Star Status ¾ Through all of the hard work, diligence towards safety, and commitment to excellence, HAMMER/Hanford Training has been recognized by DOE and recommended for VPP Star Status by the on-site review team. The formal facility walkthrough was conducted on August 27-28, 2002 by a team of DOE HQ, RL, and a HAMTC Safety Rep. The formal approval of HAMMER/Hanford Training's VPP Star Status is expected in September 2002.

Stabilization of Nuclear Material

Metals, Alloys, Oxides and Polycubes ¾ During August, 38 bagless transfer containers (BTCs) were welded. As of August 31 a fiscal-year-to-date total of 668 BTCs have now been made in the 234-5Z and 2736-ZB facilities. Stabilization of Plutonium (Pu) Oxide material began in early August with 63 items processed. Stabilization/packaging of previously processed oxides in food pack cans was also initiated in August.

Residues ¾ During August 2002, 178,067 grams (against a plan of 148,000 grams) of Sand, Slag and Crucible (SS&C) were packaged into 26 Pipe Overpack Containers (POCs). Processing of SS&C continues exceeding the baseline schedule. Forty-five POCs were shipped to the Central Waste Complex (CWC).

PERFORMANCE DATA AND ANALYSIS

The following provides a brief synopsis of overall PHMC Environmental Management (EM) cost, schedule, and milestone performance.

FY 2002 Schedule and Cost Performance

Schedule Performance — There is a Fiscal Year (FY) 2002 year-to-date 0.1 percent ($4.7 million) unfavorable schedule variance that is within the established 10 percent threshold. Subprojects outside the threshold are 100 Area Cleanup, 300 Area Cleanup, 200 Area Remediation and Groundwater/Vadose Zone Integration. Detailed variance analysis explanations may be found in the applicable project section.

Cost Performance — FY 2002 year-to-date cost performance reflects a 0.4 percent ($2.1 million) favorable cost variance that is within the established 10 percent threshold. Subprojects outside the threshold with favorable variances are 100 Area Cleanup, 300 Area Cleanup, Advanced Reactor Transition, River Corridor Waste Management, 200 Area Remediation, Plutonium Finishing Plant, Groundwater Monitoring, Groundwater/Vadose Zone Integration, HAMMER, and Near Term Stewardship. These favorable variances are offset by an unfavorable nine percent variance in Spent Nuclear Fuel. Detailed variance analysis explanations may be found in the applicable project sections.

BASELINE PERFORMANCE STATUS
FY 2002 COST / SCHEDULE PERFORMANCE – ALL FUND TYPES
FY TO DATE STATUS ($M)
(FLUOR HANFORD, INC. ONLY)

DATA THROUGH AUGUST 2002

		Current Fiscal Year Performance ($ x Million)					Annual Budget
		FYTD			Schedule Variance	Cost Variance	
		BCWS	BCWP	ACWP			
River Corridor Restoration							
3.1.1	**100 Area Cleanup** RC01	1.1	0.9	0.5	(0.2)	0.4	1.9
3.1.2	**300 Area Cleanup** RC02	1.1	1.4	0.8	0.3	0.6	1.2
3.1.3	**Advanced Reactor Transition** RC03	1.7	1.8	1.2	0.1	0.6	1.9
3.1.5	**River Corridor Waste Mgmt.** RC05	3.3	3.4	2.7	0.1	0.7	3.7
3.1.6	**300 Area Facility Transition** RC06	34.9	36.2	33.5	1.3	2.7	38.5
	Subtotal Restoration	**42.1**	**43.7**	**38.7**	**1.6**	**5.0**	**47.2**
River Corridor Final Closure and SNF							
3.2.3	**Spent Nuclear Fuel** RS03	156.0	152.4	165.4	(3.6)	(13.0)	173.7
	Subtotal SNF	**156.0**	**152.4**	**165.4**	**(3.6)**	**(13.0)**	**173.7**
Central Plateau Transition							
3.3.1	**200 Area Remediation** CP01	15.1	12.2	10.3	(2.9)	1.9	20.7
3.3.2	**Waste Management** CP02	71.9	70.0	70.6	(1.9)	(0.6)	80.4
3.3.3	**Plutonium Finishing Plant** CP03	74.6	79.9	71.5	5.3	8.4	78.9
	Subtotal Central Plateau	**161.6**	**162.1**	**152.4**	**0.5**	**9.7**	**180.0**
Site Integation & Infrastructure							
3.4.1	**Site Integration** SS01	27.0	27.0	24.5	0.0	2.5	29.8
3.4.2	**Landlord & Site Services** SS02	79.6	76.5	80.2	(3.1)	(3.7)	89.5
3.4.3	**Groundwater Monitoring** SS03	0.4	0.4	0.2	0.0	0.2	0.8
3.4.4	**GW/VZ Integration** SS04	2.0	1.7	1.1	(0.3)	0.6	3.0
3.4.5	**HAMMER** SS05	4.4	4.6	4.1	0.2	0.5	5.2
	Subtotal Site Integration	**113.4**	**110.2**	**110.1**	**(3.2)**	**0.1**	**128.3**
Site Stewardship							
3.5.1	**Near Term Stewardship** SC01	1.0	1.0	0.7	0.0	0.3	1.4
	Subtotal Stewardship	**1.0**	**1.0**	**0.7**	**0.0**	**0.3**	**1.4**
	Total PHMC Projects	**474.1**	**469.4**	**467.3**	**(4.7)**	**2.1**	**530.6**

Notes: Column headings [Budgeted Cost of Work Scheduled (BCWS), Budgeted Cost of Work Performed (BCWP), etc.] are defined in the glossary at the end of the report. The data is from Hanford Data Integrator (HANDI) reports. The Annual Budget is FY2002 workscope only and does not include prior year scope. The ACWP may include cost of workscope budgeted in prior years.

BASELINE PERFORMANCE STATUS CONTRACT TO DATE ($M) (FLUOR HANFORD, INC. ONLY)

The following table portrays the Fluor contract-to-date cost and schedule performance.

DATA THROUGH AUGUST 2002

		Contract to Date Performance ($ x Million)					Contract Period Budget
		CTD			Schedule Variance	Cost Variance	
		BCWS	BCWP	ACWP			
River Corridor Restoration							
3.1.1	**100 Area Cleanup** RC01	1.1	0.9	0.5	(0.2)	0.4	1.9
3.1.2	**300 Area Cleanup** RC02	2.3	2.6	2.0	0.3	0.6	33.1
3.1.3	**Advanced Reactor Transition** RC03	3.5	3.4	2.4	(0.1)	1.0	7.7
3.1.5	**River Corridor Waste Mgmt.** RC05	7.8	7.9	6.7	0.1	1.2	27.1
3.1.6	**300 Area Facility Transition** RC06	80.4	80.7	76.0	0.3	4.7	340.1
	Subtotal Restoration	**95.1**	**95.5**	**87.6**	**0.4**	**7.9**	**409.9**
River Corridor Final Closure and SNF							
3.2.1	**S. Hanford Industrial Area**	0.0	0.0	0.0	0.0	0.0	6.5
3.2.3	**Spent Nuclear Fuel** RS03	332.8	323.1	332.2	(9.7)	(9.1)	657.7
	Subtotal RCFC and SNF	**332.8**	**323.1**	**332.2**	**(9.7)**	**(9.1)**	**664.2**
Central Plateau Transition							
3.3.1	**200 Area Remediation** CP01	21.2	17.6	16.0	(3.6)	1.6	203.8
3.3.2	**Waste Management** CP02	176.0	169.5	165.8	(6.5)	3.7	606.7
3.3.3	**Plutonium Finishing Plant** CP03	182.0	180.4	175.0	(1.6)	5.4	459.0
	Subtotal Central Plateau	**379.2**	**367.5**	**356.8**	**(11.7)**	**10.7**	**1269.5**
Site Integation & Infrastructure							
3.4.1	**Site Integration** SS01	44.1	43.8	40.3	(0.3)	3.5	175.5
3.4.2	**Landlord & Site Services** SS02	130.5	126.4	129.1	(4.1)	(2.7)	533.2
3.4.3	**Groundwater Monitoring** SS03	0.4	0.4	0.2	0.0	0.2	8.8
3.4.4	**GW/VZ Integration** SS04	2.0	1.7	1.1	(0.3)	0.6	57.5
3.4.5	**HAMMER** SS05	10.8	10.6	9.8	(0.2)	0.8	29.6
	Subtotal Site Integration	**187.8**	**182.9**	**180.5**	**(4.9)**	**2.4**	**804.6**
Site Stewardship							
3.5.1	**Near Term Stewardship** SC01	2.1	2.1	1.2	0.0	0.9	5.6
	Subtotal Stewardship	**2.1**	**2.1**	**1.2**	**0.0**	**0.9**	**5.6**
	Total PHMC Projects	**997.0**	**971.1**	**958.3**	**(25.9)**	**12.8**	**3153.8**

Notes: Contract period budget reflects the contractual funding profile (FY01 – FY06) plus/minus approved Baseline Change Requests. Planned scope transfers to the River Corridor Contractor will be included once the transfers take place.

Funds Management
Funds vs. Actual Costs ($000)

This chart reflects the FH Project structure. This breakout is necessary to provide FH project managers with information specific to their areas of responsibility and accountability and to facilitate effective management of the funds within their control (obligated to the PHMC).

FH has taken numerous proactive actions to overcome the significant work scope and funding challenges in FY 2002 and trends indicate that the PHMC costs will not exceed available funds in any control point.

Project	PBS	Expected Funds	Project August Forecast	Project Completion	Post 2006	Other
Spent Nuclear Fuel	RS03	$176,389	$184,300	($7,911)		
Plutonium Finishing Plant	CP03	$84,951	$80,679	$4,272		
	CP03	$570	$545			$25
Subtotal PFP		$85,521	$81,224	$4,272		$25
Central Plateau Remediation	RC06	$37,408	$36,752	$656		
	RC02	$0	$0		$0	
	RC01	$1,922	$1,252		$670	
	CP01	$18,144	$14,378		$3,766	
	RS01	$0	$0		$0	
	SS03	$741	$312		$429	
	SS04	$3,138	$1,811		$1,327	
Subtotal CP		$61,353	$54,505	$656	$6,192	
Waste Management	CP02	$81,319	$79,152	$2,167		
(340 Deactivation)	RC02	$995	$873		$122	
(310 TEDF)	RC05	$2,962	$2,886		$76	
Subtotal WM		$85,276	$82,911	$2,167	$198	
Advanced Reactor	RC03	$2,373	$1,332			$1,041
Landlord & Site Services	SS02	$91,912	$89,858	$2,054		
HAMMER	SS05	$5,503	$4,575		$928	
Site Integration	SS01	$27,952	$27,454		$498	
Near Term Stewardship	SC01	$1,308	$844		$464	
SUBTOTAL EXPENSE		**$537,587**	**$527,003**	**$1,238**	**$8,280**	**$1,066**
ADJUSTMENTS						
Indirect Variance Distribution			($3,000)	$2,340	$288	$372
Legal Commitments			$2,908	($1,803)	($255)	($850)
SUBTOTAL ADJUSTMENTS			**($92)**	**$537**	**$33**	**($478)**
TOTAL EXPENSE		**$537,587**	**$526,911**	**$1,775**	**$8,313**	**$588**

MILESTONE PERFORMANCE

Milestones represent significant events in project execution. They are established to provide a higher level of visibility to critical deliverables and to provide specific status about the accomplishment of these key events. Because of the relative importance of milestones, the ability to track and assess milestone performance provides an effective tool for managing the PHMC EM cleanup mission. These milestones are consistent with the FH contract.

FYTD milestone performance (Enforceable Agreement [EA], U.S. Department of Energy- Headquarters [DOE-HQ], and RL) shows that nine milestones were completed on or ahead of schedule, one milestone was completed late, and three milestones are overdue. Total FY milestones have changed from 16 to 14. The reporting level of two Technology Insertion Point (TIP) milestones was changed from RL to contractor [300 Area Facility Transition (Section F)].

In addition to the FY2002 milestones described above, there is one overdue milestone from FY2001 [PFP (Section K)]. Further details regarding this milestone may be found in the referenced Project Section.

FY 2002 information is depicted graphically on the following page. For additional details related to the data, prior year milestones, and outyear milestones, refer to the relevant project section titled "Milestone Achievement."

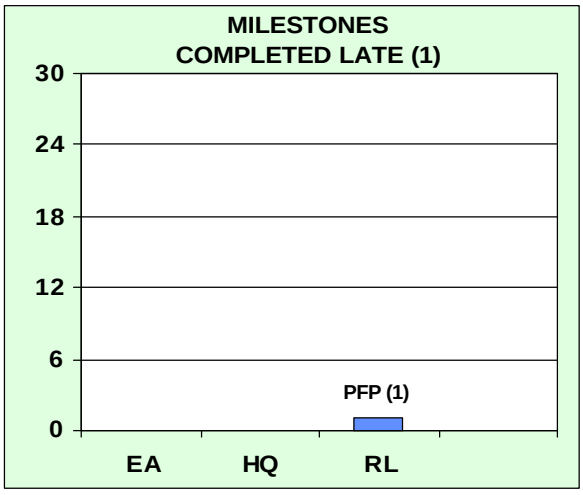
FY 2002 information reflects the September 30, 2001 baseline as updated for RL approved changes. Changes in both the number and type of milestones from month to month are the result of Baseline Change Requests (BCRs) approved during the year.

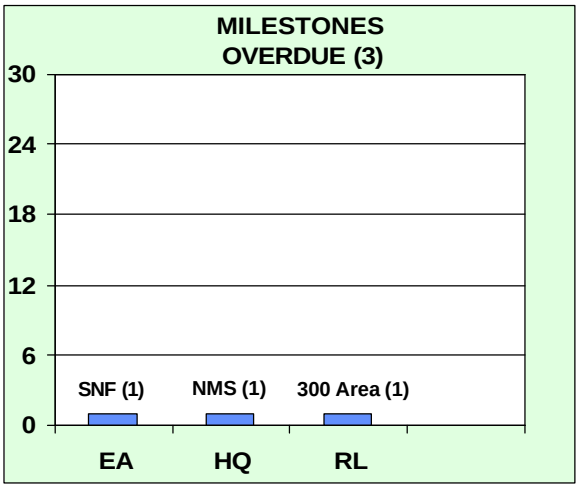
TOTAL ALL HANFORD PROJECTS
MILESTONE ACHIEVEMENT
FH Contract Milestones

MILESTONE TYPE	FISCAL YEAR-TO-DATE				REMAINING SCHEDULED			Total FY 2002
	Completed Early	Completed On Schedule	Completed Late	Overdue	Forecast Early	Forecast On Schedule	Forecast Late	
Enforceable Agreement	3	1	0	1	0	0	0	5
DOE-HQ	1	0	0	1	0	0	0	2
RL	3	1	1	1	0	0	1	7
Total Project	7	2	1	3	0	0	1	14

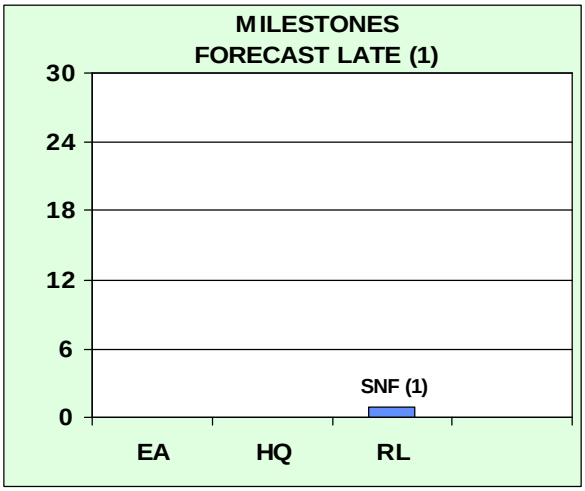
MILESTONE EXCEPTIONS

FISCAL YEAR TO DATE





REMAINING SCHEDULED



These charts provide detail by project and milestone level / type for milestones
- Completed Late
- Overdue
- Forecast Late
- Detailed information can be found in the individual project sections

SAFETY OVERVIEW

The focus of this section is to document trends in occurrences. Improvements in these rates are due to the efforts of the PHMC workforce as they implement the Integrated ES&H Management System (ISMS), work towards achieving Voluntary Protection Program (VPP) "star" status, and accomplish work through Enhanced Work Planning (EWP). Safety and health statistical data is presented in this section. The safety charts are reported according to OSHA standards. Current calendar year data continue to be corrected as further days accumulate on any work restrictions or lost days, or when cases are reclassified.

Significant Safety and Health Events

PHMC Level

Occupational Safety & Health Administration (OSHA) Recordable Case Rate: The FH Team OSHA Recordable Rate is stable at the current baseline of 1.5 cases per 200,000 hours, better than the DOE CY 2001 rate of 2.3 and the Bureau of Labor Statistics rate of 6.7. FH project specific Safety Improvement Plan efforts showed early signs of further reducing injuries, with five month's OSHA Recordable Rates below the 1.5 average. August 2002 was slightly above average, but overall the injury rate appears to be decreasing.

There has been a routine, seasonal increase in the First Aid Case rate for June and July 2002 due to insect bites, dust and outdoor activities.

Days Away From Work (DAFW) Case Rate: The current safe work hour count for the FH Team is 7.9 million hours. The FYTD DAFW Case Rate is 0.04. The current baseline rate is zero, with no DAFW injuries in the past 10 months. The DOE CY 2001 rate is 0.45 cases per 200,000 hours worked.

DOE Safety Cost Index: The FH Team's DOE Safety Cost Index experienced a significant spike in April 2002 due to two injuries which are still gaining days of restricted work activity. These cases are being evaluated to determine if adequate care is being provided and the employees are progressing back to full duty. The FH cost index is less than the DOE CY 2001 rate of 9.7 cents. The low Safety Cost Index for FH is the result of the overall low severity of the injuries being experienced on the projects.

Subproject Level

The **Plutonium Finishing Plant (PFP)** subproject has accumulated 784,000 safe hours. The OSHA Recordable Case Rate has been below average for the past five months; two more below average months will be a significant decrease. This improvement has occurred during continuous activity in product stabilization.

The **300 Area Facility Transition** (WBS 3.1.6) subproject (formerly called the River Corridor Project) has achieved 592,000 safe work hours. The OSHA Recordable Case Rate remains stable at the current baseline average of 1.9 cases per 200,000 hours worked. No new OSHA recordable cases have been reported since April 2002. The DOE Safety Cost Index is stable at a value of 3.7 cents per hour. Transition of the ERC workscope is complete and the high degree of worker protection is being maintained.

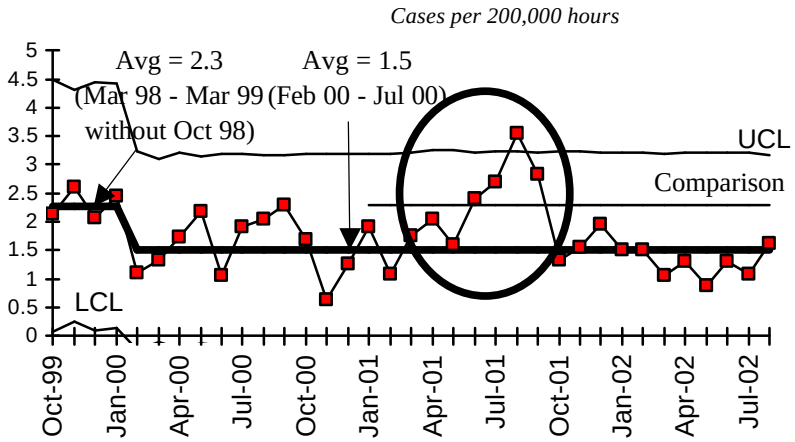
The **Spent Nuclear Fuel (SNF) Project** reached 5 million safe work hours in August. The August OSHA Recordable Case Rate has increased, along with the Safety Cost Index. The Project is increasing its activity in safety awareness and accident prevention.

The **200 Area Materials and Waste Management** (WBS 3.3.2) subproject (formerly called the Waste Management Project) exceeded 4 million safe work hours in August. The OSHA Recordable Case Rate is stable at a rate of 0.8 cases per 200,000 hours worked. The project is pursuing a VPP application.

Due to space constraints, FY 1996 through FY 1998 data is not portrayed on the following graphs.

Total OSHA Recordable Case Rate

Green

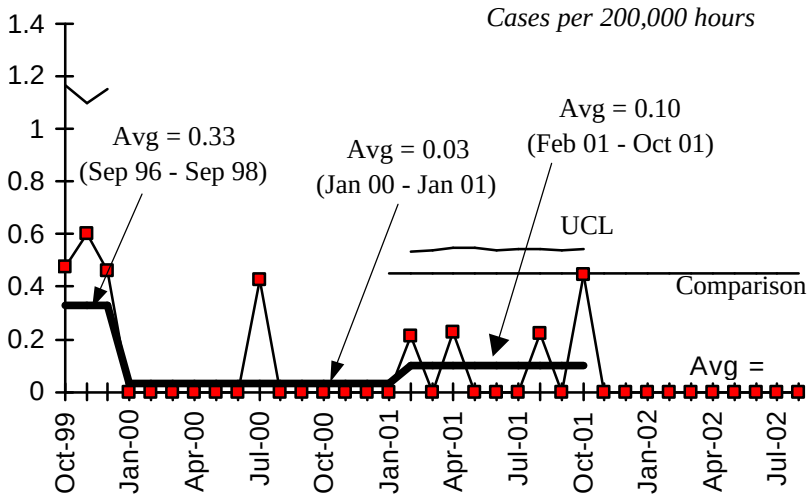


FY 2001 = 1.9
FY 2002 to date = 1.4
DOE Complex Comparison Average = 2.3 (CY01)

The FH Team Safety Summit injury reduction efforts are showing signs of continuous improvement. However, the run of 5 months below average ended this month. There are still signs of a decrease developing.

OSHA Days Away from Work Case Rate

Green

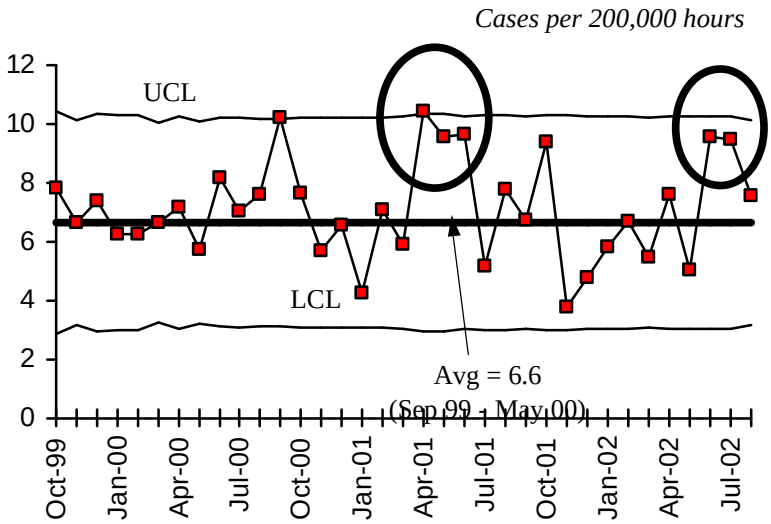


FY 2001 = 0.05
FY 2002 to date = 0.04
DOE Complex Comparison Average = 0.45 (CY01)

The current safe work hour count for the FH Team is 7.9 million hours. The graphs has been baselined to an average of zero.

First Aid Case Rate

Green

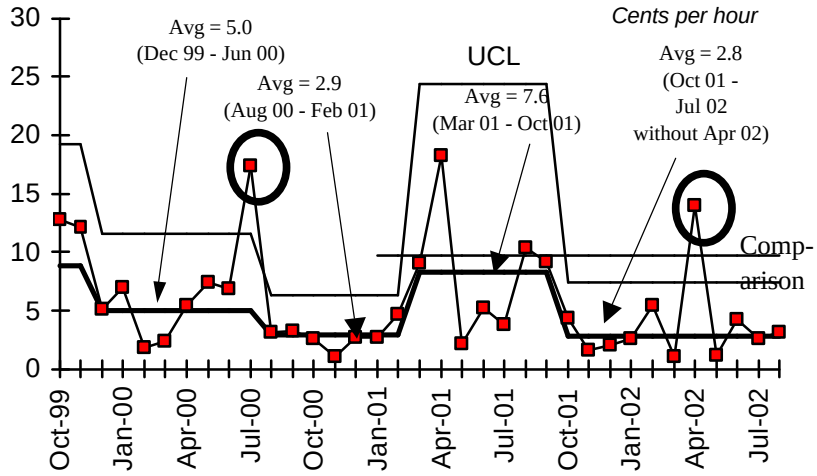


First Aid Rate undergoes seasonal cycles. Increases occur in warmer weather due to insect and animal encounters, and due to wind related minor injuries. Such an increase has occurred for June and July 2002. Hanford is especially susceptible to wind borne debris injuries due to the site wildfire in June 2000. First Aid case rate has remained relatively predictable.

Fiscal year calculations are not included as DOE does not publish a comparison rate, and comparisons of partial fiscal year data to prior years would not be appropriate due to the routine cyclical trends in the data.

DOE Safety Cost Index

Green



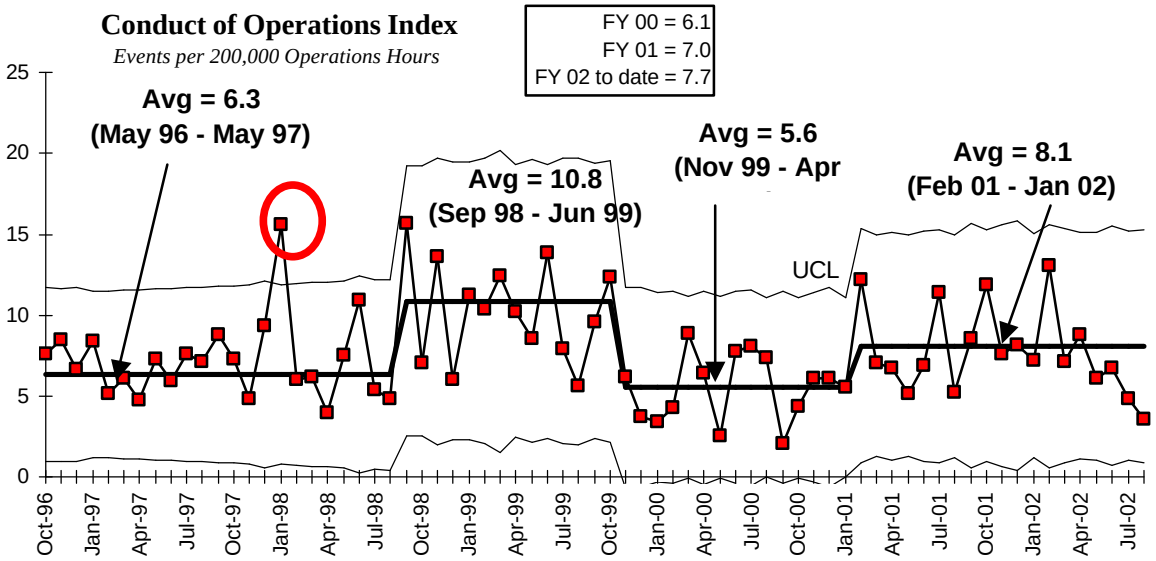
FY 2001 = 5.9
FY 2002 to date = 3.8
DOE Complex Comparison
Average = 9.7 (CY01)
A spike was experienced in the April 2002 data, with two cases still gaining days of restriction.

Current Calendar's Year data continue to be corrected as further days accumulate on any work restrictions or lost days.

CONDUCT OF OPERATIONS

The current baseline increased from 7.9 to 8.1 due to reports during the baseline time interval receiving root cause information updates.

The current month tends to be artificially low as it can take up to 45 days to assign a root cause to an occurrence report, and the majority of the event types in the index are root cause generated.



BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT

Breakthroughs

Nondestructive Examination (NDE) of Contamination in the KE Basin Walls and Floors — A significant activity necessary to deactivate the 100 Area KE Basin is to characterize the level of contamination in the basin's unsealed concrete walls and floor. This characterization data will be used as part of the technical basis to determine the methods to be applied in completing the deactivation of the basin, once the fuel and sludge have been removed.

The SNF Project will be using nondestructive (gamma scanning) techniques and detector systems, developed by the Pacific Northwest National Laboratory, to acquire data on the depth of radionuclide penetration in the basin's concrete walls and floors. This is the first time the NDE technique will be used to obtain characterization data with the facility in normal operation, with its full inventory of fuel, sludge and contaminated water. If successful, the data will be used, in conjunction with other information, to determine which deactivation methods can realistically be used to remove/reduce the radiological dose/contamination, as well as to determine which basin areas are in the greatest need of mitigation. After initial deployment in the KE Basin, the wall detector system received basin water contamination, which must be resolved before data gathering can resume.

Permit By Rule Treatment at 300 Area TEDF — FH investigated the potential to treat limited categories of liquid non-radioactive hazardous wastes using the existing capabilities of the 300 Area TEDF by applying a permit exclusion available within the waste regulations. Treatment of hazardous wastes at TEDF could provide a low-cost option for disposal of some wastes currently sent off-site. While initial implementation activities are planned through the remainder of FY 2002, full implementation will be delayed to FY 2003 due to funding constraints.

Monolithic Removal of 327 Hot Cells — In order to support accelerated 300 Area closure, the Central Plateau (CP) organization is integrating decommissioning and demolition with deactivation activities where practical. Intact removal of the 327 hot cells appears to be technically feasible, to have potentially significant ALARA benefits, and to result in schedule/cost reduction. Certification that the hot cells can be disposed of as non-Transuranic waste is key to adopting monolithic removal as the technical baseline. In support of this initiative, CP was successful in obtaining Accelerated Site Technology Deployment (ASTD) funding ($935K) to purchase in-situ characterization instruments that will lead to the eventual low-level waste certification. The gamma camera (Cartogam) and Neutron Detection Instrument Pod are available for deployment in the hot cells. As required by the project Quality Assurance Plan, the systems were receipt-inspected by Acceptance Verification Services. Operator training is scheduled prior to conducting a non-destructive analysis.

PFP Processing Improvement — Over 400 items of oxides originally thought to require thermal stabilization and packaging have been selected for discard as a result of investigations into their plutonium content. The database from which the original stabilization inventory was developed did not list net weights for these items. However, a more in-depth investigation revealed them to contain less then 30wt% Pu. These items are the subject of a Safeguards Termination Request that is currently at DOE-HQ for approval.

It was determined that the oxide/MOX materials could be characterized based on process knowledge. This eliminates the need for a sampling program and associated costs and schedule impacts.

Opportunities for Improvement

Witness Model — The baseline model has been produced and used for production capability assessment. The model continues to be a useful tool in evaluating the knowledge of the project, critical path and in prioritizing actions to reduce the critical path length. The model is being updated with additional detail to more accurately reflect the project's new critical path. It will continue to be periodically updated and used for confirmation of the critical path and actions to reduce the critical path. All modifications are expected to be complete by September 30, 2002.

Information Resource Management ¾ A new process for replacing Personal Computers (PCs) was implemented, with Lockheed Martin Information Technology (LMIT) becoming the source for systems. This enables the site to leverage Lockheed Martin's large corporate-wide buying power in negotiating lower system prices than are currently being paid, while still maintaining the use of a local small business to provide them. Anticipated savings are up to $300,000 annually.

IRM presented a potential opportunity in the areas of wireless Hanford Local Area Network (HLAN) access, handheld computing devices and voice-activated website browsing. The demonstration showed the capability for a technician to navigate through a procedure using voice-activated software, leaving their hands free to perform work using a mobile computer not hard-wired to a network.

Inventory Control ¾ PFP and contractor staffs have identified opportunities for improving the material control and accountability (MC&A) inventory process at the PFP. The MC&A Process Improvement Plan draft report was approved and released in August.

Processing Improvement — The PFP Stabilization & Packaging Equipment (SPE) process qualification plan was submitted to RL. This plan will enable the SPE system, once qualified, to perform Loss on Ignition (LOI)/ Thermogravimetric Analysis (TGA) on a representative sampling of canned items rather than on all canned items. Representative sampling is significant since the processing throughput is limited more by the LOI/TGA measurement throughput than either furnace or canning capacity. Comments from the Third Party Review Team on the Process Qualification package were received in July. Final resolution to comments completed in August and the document revised, support data collected, and transmittal to RL for approval. Approval is expected from RL by September 16.

ISSUES

Accelerated schedule for Pressurized Water Reactor (PWR) fuel assembly shipments — Meeting the accelerated 324 schedule for five PWR fuel assembly shipments by September 30, 2002 vs. December 2002 necessitates recovering lost time. The first of five PWR shipments was transported to the 200 Area Interim Storage Area (ISA) in August. Load out and sealing of a second fuel assembly/storage cask is in progress. Completion of the five shipments will complete the action plan.

SNF MCO number 63 fails integrity test — The MCO 63 remains under surveillance in bay two of the Cold Vacuum Drying Facility (CVDF). The disposition of the MCO was established as a top priority by the RIT. This high priority designation has resulted in an agreed path forward by RL and FH to obtain necessary approvals that will support shipment of the MCO to the CSB by October 7, 2002.

Processing oxide items via direct thermal stabilization is not feasible — Oxide items with high levels of chloride salts are currently identified in the baseline as being process via direct thermal stabilization. Recent testing by PNNL indicates that the approach isn't feasible. A follow-up study recommended washing the chloride salts in the existing solutions precipitation equipment to remove the salts. Laboratory testing of high chloride oxides has begun. Preliminary results are somewhat encouraging in that one of the items was successfully washed without generation of thick slurries and two other items, when opened, were discovered to contain very little chloride. Further testing is being done to support development of detailed process plans. See Section K for details.

EM CORPORATE PERFORMANCE MEASURES

This information is provided quarterly.

EM LIFE CYCLE PERFORMANCE MEASURES

This information is provided quarterly.

UPCOMING PLANNED KEY EVENTS

The following key events are extracted from the authorized baseline and are currently expected to be accomplished during the next several months. Most are Enforceable Agreement (EA), DNFSB or DOE-HQ Milestones.

300 Area Remediation

Spent Nuclear Fuel (SNF) — Accomplish accelerated schedule of five Pressurized Water Reactor (PWR) spent fuel assembly shipments by September 30, 2002.

Contract Transition — Support transfer of FH scope to River Corridor Closure Contract (RCCC). Received a modification that changed the date from July 1, 2002, to "at direction of the contracting officer."

Spent Nuclear Fuel

Fuel Transfer System (FTS) — Complete Section 1B, Completion of Exceptions, of the Construction Completion Document by September 12, 2002.

FTS — Complete Section 2A, Completion of Operational Testing and Approval of Test Results, by September 12, 2002.

FTS — Begin contractor Operational Readiness Review (ORR) September 25, 2002.

Sludge Water System (SWS) — Receive cask and container for sludge in September 2002.

SWS — Receive cask and container for sludge in September 2002.

SWS — Complete SWS construction by October 2002.

FTS — Begin DOE ORR in October 2002.

FTS — Begin KE to KW fuel transfer by November 30, 2002 (M-34-17).

SWS — Complete ORR in November/December 2002.

SWS — Operational by December 31, 2002 (M-34-08).

Fuel Movement — Complete removal of 957 MTHM from KW Basin by December 31, 2002 (M-34-18A).

MCO Welding — Begin welding of MCOs at Canister Storage Building (CSB) by February 3, 2003.

200 Area Remediation

Equipment Disposition Project — Ship the Ion exchange columns by October 2002.

Waste Sites — Submit 200-TW-1 Scavenged Waste Group and 200-TW-2 Tank Waste Group OU RI Report to EPA & Ecology by October 30, 2002. Submit 1 200 NPL RI/FS Work Plan for the 200-IS-1 tanks/liners/pits/diversion boxes OU by December 31, 2002.

200 Area Shutdown Facilities — Complete installation of new roofs on PUREX & B Plant by November 30, 2002.

200 Area Materials & Waste Management

Accelerate Readiness to Receive SNF K Basin Sludge — 1) Complete movement of Shippingport (PA) fuel, 2) Support activities to receive and store K Basin sludge, and 3) Accelerate T Plant Canyon cell cleanout.

MLLW Treatment — Receive treated waste from ATG. Evaluate their treatment under the contract and decide whether to exercise options in FY 2003. Prepare for FY 2003 shipments to ATG under the option. Establish a contract with Perma-Fix to perform the thermal desorption technology demonstration. Begin shipping waste that requires thermal treatment to Perma-Fix for the demonstration. Evaluate the possibility of disposing of 183-H basin waste at Environmental Restoration Disposal Facility under a CERCLA decision.

TRU Waste Shipments — A second shipment of TRU drums to WIPP is planned in September 2002.

TRU Waste Retrieval — Continue preparations for the TRU Retrieval mockup. Plan to backfill, and excavate to demonstrate excavation techniques. A new contractor is being brought on board to complete the revisions to the Documented Safety Analysis (DSA). The new contractor will be on board in October.

Plutonium Finishing Plant Support — Continue to support residues processing with shipment of the new Sand, Slag and Crucible waste stream through FY 2003.

300 Area Cleanup Support — Continue support to the 324 Fuels Removal Project, 327 Facility Cleanout, and the 300 Area Accelerated Closure Project.

Waste Encapsulation and Storage Facility (WESF) Operations — Complete K-1 exhaust fan repairs. Perform annual inner capsule movement test. Complete K-3 duct modification. Support the accelerated capsule disposition initiative.

Liquid Waste Processing ¾ Continue wastewater processing through the 200 Area ETF. The 242-A Evaporator campaign, which was planned for September, has been postponed to October. The ETF will be restarted after having been shutdown for several weeks. A short maintenance outage was completed at ETF, but CHG was unable to complete Tank Farms activities to support an Evaporator campaign as planned.

Plutonium Finishing Plant

Nothing significant to report.